

NOVA SCOTIA RESEARCH AND DEVELOPMENT TAX CREDIT

Name of corporation	Account / Business number	Taxation year - end		
		Day	Month	Year

- For use by corporations with a permanent establishment in Nova Scotia that have made eligible scientific research expenditures in the province to:
 - calculate a Nova Scotia research and development tax credit for taxation years ending after December 31, 1993,
 - claim a carry forward of Nova Scotia research and development tax credits from taxation years ending on or before December 31, 1993 to reduce Nova Scotia income tax otherwise payable in the current year.
- An eligible scientific research expenditure is one that meets the definition of a "qualified expenditure" in subsection 127(9) of the Canadian *Income Tax Act* but also includes an expenditure specified for a Part VIII refund.
- Credits earned in taxation years ending after December 31, 1993 are applied to reduce Nova Scotia income tax otherwise payable for the year, as well as amounts owing under the federal and provincial income tax acts, the *Canada Pension Plan* and the *Unemployment Insurance Act*. Any remaining balance will be refunded.
- Credits earned in taxation years prior to the 1994 taxation year can be carried forward to the seven subsequent taxation years or carried back to the three preceding taxation years. These credits referred to in line (A) are the credits in respect of eligible expenditures made in taxation years ending on or before December 31, 1993.
- File this form with the T2 return for the taxation year in which the credit is earned, claimed or a refund requested.

BOX 1 – CALCULATION OF AVAILABLE CREDIT AND CARRY - FORWARD

Pre 1994 taxation year credits at the end of the preceding taxation year (A)

Deduct: Credit expired after 7 taxation years (B)

Credit at the beginning of taxation year (C)

Add: Credit transferred upon amalgamation or wind-up of a subsidiary (D)

Total credit available (E)

Deduct: Carry-forward credit claimed against provincial tax in the year (enter on line 671 of form T2S-TC) (F)

Pre 1994 credit available for carry-forward to next year (complete BOX 3 below) (G)

BOX 2 – CALCULATION OF REFUNDABLE CREDIT

Credit earned: current year eligible expenditures (H) x 15% = (I)
(enter (H) on line 670 of Form T2S-TC)

Add:

Credit allocated from a partnership (J)

Credit allocated from a trust (K)

Subtotal (L)

Total current year credit (enter amount (M) on line 154 on page 8 of the T2 return) (M)

BOX 3 – ANALYSIS OF PRE 1994 CREDIT AVAILABLE FOR CARRY – FORWARD BY YEAR OF ORIGIN

Year of origin (earliest year first)	Credit available	Year of origin (earliest year first)	Credit available
19 _____	_____	19 _____	_____
19 _____	_____	19 _____	_____
19 _____	_____	19 _____	_____
19 _____	_____	Total (must equal amount (G) BOX 1)	_____